

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10
L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 USIA-06
EB-08 OMB-01 TRSE-00 ACDA-12 /082 W
-----089664 021634Z /45

P 021627Z MAR 78
FM AMEMBASSY OTTAWA
TO SECSTATE WASHDC PRIORITY 6501

C O N F I D E N T I A L OTTAWA 01060

E.O. 11652: GDS
TAGS: MPOL, CA
SUBJECT: COUNTING OF OFF-SETS FOR NFA UNDER DPSA

REF: STATE 13897

IN REPLY TO HIS INQUIRY, THE DEFENSE ATTACHE HAS RECEIVED
A LETTER FROM C. T. CHARLAND, ASSISTANT DEPUTY MINISTER,
MINISTRY OF INDUSTRY, TRADE AND COMMERCE, STATING:

"IN RESPONSE TO THE STATE DEPARTMENT REQUEST FOR
ASSURANCES THAT OFFSETS, WHICH WOULD BE PART OF A
POSSIBLE NFA PROCUREMENT CONTRACT WITH A USA PRODUCER,
WOULD BE COUNTED IN THEIR ENTIRETY UNDER THE UNITED
STATES/CANADA DEFENCE PRODUCTION SHARING ARRANGEMENT
IRRESPECTIVE OF THE NATURE OF THE OFF-SETS, I.E., WITHOUT
REGARD TO WHETHER THEY ARE DEFENCE RELATED OR NOT, IT IS
CONFIRMED THAT

INNER QUOTE CONTRACTUALLY OBLIGATED BENEFITS, WHICH FORM
A PART OF A NEW FIGHTER AIRCRAFT PRODUCTION CONTRACT
WITH A U.S. PRIME PRODUCER, WILL BE IDENTIFIED IN THEIR
ENTIRETY WHEN CALCULATING THE "LONG TERM BALANCE" UNDER
THE US/CANADA DEFENCE PRODUCTION ARRANGEMENTS. END INNER
QUOTE.

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"THIS WILL SERVE TO SATISFY THE STATE DEPARTMENT CONCERNS
WHILE AT THE SAME TIME PRESERVING THE AGREED CONDITIONS
FOR KEEPING DEFENCE TRADE STATISTICS UNDER THE DPSA.
IT WILL SERVE ALSO TO ENSURE THAT ALL OFFSETS WHICH MEET
THE CRITERIA ESTABLISHED IN PART IV INDUSTRIAL BENEFITS
OF THE NFA PROGRAM REQUEST FOR PROPOSALS ARE TAKEN INTO

ACCOUNT.

"A SIMILAR ARRANGEMENT FOR THE INCLUSION OF CONTRACTUALLY
OBLIGATED OFFSET FOR THE LONG RANGE PATROL AIRCRAFT
PROGRAM IN OUR DEFENCE TRADE STATISTICS IS ALREADY IN
EFFECT."
ENDERS

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INDUSTRIAL PRODUCTION, EQUIPMENT, MILITARY AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 02 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
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Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780095-1222
Format: TEL
From: OTTAWA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197803114/aaaadtfg.tel
Line Count: 69
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 65dcbab9-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Review Release Event: n/a
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Status: NATIVE
Subject: COUNTING OF OFF-SETS FOR NFA UNDER DPSA
TAGS: MPOL, CA
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